IN THE UNITED STATES DISTRICT COURT WESTERN DIVISION OF ARKANSAS HOT SPRINGS DIVISION

TAMMY ASHLEY

PLAINTIFF

Vs.

CASE NO. 05-6008

TENET dba
NATIONAL PARK MEDICAL CENTER

DEFENDANT

DEFENDANT'S MOTION TO DISMISS OR STAY AND REFER CLAIMS TO BINDING ARBITRATION

COMES NOW Defendant, Tenet HealthSystems Medical, Inc. ("Tenet"), erroneously identified in the complaint as "Tenet dba National Park Medical Center", former owner of National Park Medical Center, Inc., through counsel, and pursuant to the Federal Arbitration Act (FAA), 9 U.S.C. §§3, 4, moves the court to dismiss or stay this action and refer the claims to final and binding arbitration pursuant to an arbitration agreement. In support of this motion, Tenet states:

- 1. Plaintiff and Tenet entered into an enforceable agreement to utilize final and binding arbitration of all claims and disputes arising from Plaintiff's employment and termination of employment, including all legal claims and causes of action recognized by local, state, or federal law or regulation. (Employee Acknowledgment Forms, signed by Tammy Ashley, April 17, 2001 and June 2, 1998, Exhibit A attached hereto). The referenced Tenet Fair Treatment Process (FTP) contained in the Employee Handbook received by Plaintiff also sets forth more information concerning the arbitration process. (Employee Handbook, pages 65-73).
- 2. The complaint alleges an action pursuant to the Family and Medical Leave Act, 29 U.S.C. §§2601 *et. seq.* which by its terms applies to "employees" of an "employer" defined as

"any person engaged in commerce or in any industry or activity affecting commerce". 29 U.S.C. §2611(4)(A). "Affecting commerce" has been determined by the United States Supreme Court to be the equivalent of the "involving commerce" phrase used in the FAA. *Allied-Bruce Terminix Cos., Inc. v. Dobson*, 513 U.S. 265, 273-77 (1995). Therefore, the FAA applies, and pursuant to 9 U.S.C. §2 the arbitration agreement is valid, irrevocable and enforceable.

- 3. The face of the complaint shows that all of Plaintiff's FMLA claims arise out of her employment and termination of employment and are within the scope of the arbitration agreement which expressly covers "any and all claims and disputes that are related in any way to my employment or the termination of my employment" with Tenet or any subsidiary, parent or affiliated companies or entities. (Exhibit A). Plaintiff's claims are therefore arbitrable. See, e.g., Patterson v. Tenet Healthcare, Inc., 113 F. 3d 832 (8th Cir. 1992) (Title VII and Missouri Human Rights claims required to be arbitrated under Tenet's arbitration agreement); O'Neil v. Hilton Head Hospital, 115 F. 3d 272 (4th Cir. 1997) (FMLA case required to be arbitrated under Tenet's predecessor's arbitration agreement).
- 4. Where all claims are referable to arbitration, there is no purpose served by leaving the action pending as an administrative burden to the court and to the parties, and dismissal of the action is therefore appropriate. See Choice Hotels Int'l, Inc. v. BSR Tropicana Resort, Inc., 252 F.3d 707 (4th Cir. 2001); Barker v. Golf U.S.A., Inc., 154 F. 3d 788 (8th Cir. 1998); Alford v. Dean Witter Reynolds, Inc., 975 F. 2d 1161 (5th Cir. 1992); Emeronye v. Caci Int'l, Inc., 141 F. Supp. 2d 82 (D.D.C. 2001). Accordingly, it is appropriate to dismiss the present action and refer the claims to binding arbitration, and either party may subsequently petition to review, modify or vacate an arbitration award as provided by the FAA, 9 U.S.C. §§10, 11. Alternatively, the court should stay the action pending completion of arbitration.

WHEREFORE, this action should be dismissed and all claims referred to binding arbitration.

Respectfully submitted this 23rd day of August, 2005.

/s/ David P. Jaqua

DAVID P. JAQUA (TN Bar No. 05340) BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC

Crescent Center 6075 Poplar Avenue, Suite 500 Memphis, Tennessee 38119 Telephone: (901) 680-7343

Facsimile: (901) 680-7201

E-mail: david.jaqua@butlersnow.com

Counsel for Defendant

CERTIFICATE OF SERVICE

I hereby certify that on this 23rd day of August, 2005, the foregoing Motion to Dismiss or Stay and Refer Claims to Binding Arbitration was filed electronically with the Clerk of Court and via U.S. Mail, postage prepaid upon the following:

John P. Lewis 320 Ouachita Avenue Suite 203, Lindell Square Hot Springs, AR 71901

/s/David P. Jaqua
DAVID P. JAQUA

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EMPLOYEE ACKNOWLEDGMENT FORM

I acknowledge that I have received a copy of the Tenet Employee Handbook ar. Standards of Conduct and that I understand that they contain important informatio about the company's general personnel policies and about my privileges an obligations as an employee. I further understand and acknowledge that I am governe by the contents of the Employee Handbook and Standards of Conduct and that I at expected to read, understand, familiarize myself with and comply with the policic contained in them.

I also understand that the company may change, rescind or add to any of the policies, benefits or practices described in the Employee Handbook, except the employment-at-will policy and the Mutual Agreement to Arbitrate referred to below in its sole and absolute discretion, with or without prior notice. I also understand the the company will advise employees from time to time of material changes to the policies, benefits or practices described in the Employee Handbook.

Furthermore, I understand, acknowledge and agree that the Employee Handbooi is not a contract of employment, that my employment with the company is not for specified term and that employment with the company is at the mutual consent of the employee and the company. Therefore, I hereby acknowledge that either I or the company can terminate my employment relationship at will, with or without cause o notice.

In addition, I acknowledge that I have received and reviewed a copy of the Tene Fair Treatment Process brochure. I hereby voluntarily agree to use the Company's Fair Treatment Process and to submit to final and binding arbitration any and all claims and disputes that are related in any way to my employment or the termination of my employment with Tenet. I understand that final and binding arbitration will be the sole and exclusive remedy for any such claim or dispute against Tenet or its parent subsidiary or affiliated companies or entities, and each of its and/or their employees officers, directors or agents, and that, by agreeing to use arbitration to resolve my dispute, both the Company and I agree to forego any right we each may have had to a jury trial on issues covered by the Fair Treatment Process. I also agree that such arbitration will be conducted before an experienced arbitrator chosen by me and the Company, and will be conducted under the Federal Arbitration Act and the procedural rules of the American Arbitration Association ("AAA").

I further acknowledge that in exchange for my agreement to arbitrate, the Company also agrees to submit all claims and disputes it may have with me to final and binding arbitration, and that the Company further agrees that if I submit a request for binding arbitration, my maximum out-of-pocket expenses for the arbitrator and the administrative costs of the AAA will be an amount equal to one day's pay (if I am an exempt employee) eight times my hourly rate of pay (if I am a non-exempt employee), or the local civil filing fee, whichever is less and that the Company will pay all of the remaining fees and administrative costs of the arbitrator and the AAA. I further acknowledge that this mutual agreement to arbitrate may not be modified or rescinded except by a written statement signed by both me and the Company.

Employee Bignature Date

1 A M A Delley R Date

Employee Name (please print)

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EXHIBIT

September 1997

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I further acknowledge that in exchange for my agreement to arbitrate, the Company also agrees to submit all claims and disputes it may have with me to final and binding arbitration, and that the Company further agrees that if I submit a request for binding arbitration, my maximum out-of-pocket expenses for the arbitrator and the administrative costs of the AAA will be an amount equal to one day's pay (if I am an exempt employee) or eight times my hourly rate of pay (if I am a non-exempt employee), and that the Company will pay all of the remaining fees and administrative costs of the arbitrator and the AAA. I further acknowledge that this mutual agreement to arbitrate may not be modified or rescinded except be a written statement signed by both me and the Company.

Employee Signature

Employee Name (please print)

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National Park Medical Center

Employee Handbook



EXHIBIT

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FOR RESOLUTION OF PROBLEMS, CONCERNS AND DISPUTES

Tenet believes that positive employee relations and morale can be best achieved and maintained in a working environment that promotes ongoing and open communication between supervisors and employees, including open and candid discussions of employee problems, concerns and disputes. Tenet utilizes an Open Door Policy designed to encourage its employees to openly express their problems, concerns and opinions on any issue related to their employment.

Tenet sincerely hopes that you will never have a dispute relating to your employment with the company. However, Tenet recognizes that disputes sometimes arise between an employer and its employees relating to the employment relationship. Tenet believes that it is in the best interests of both its employees and the company to resolve those disputes in a forum that provides the fastest, least expensive and fairest method for resolving them. Therefore, in addition to the Open Door Policy, Tenet has established the Fair Treatment Process ("FTP"), a comprehensive mechanism for resolving employment-related disputes between you and the company. The FTP is a multiple-step process that ultimately provides for final and binding arbitration of employment-related disputes if they are not resolved in any of the previous steps in the process. Tenet employees can use the Open Door Policy and the Fair Treatment Process without fear of retaliation or reprisal.

Application and Coverage

The FTP applies to all employees, regardless of length of service or status, and covers all disputes relating to or arising out of an employee's employment with the company or the termination of employment. The only disputes or claims not covered by the FTP are those listed in the "Exclusions and Restrictions" section below. Examples of the type of disputes or claims covered by the FTP include claims for wrongful termination of employment, breach of contract, employment discrimination, harassment or retaliation under the Americans With Disabilities Act, the Age Discrimination in Employment Act, Title VII of the Civil Rights Act of 1964 and its amendments or any state or local discrimination laws, tort claims, or any other legal claims and causes or action recognized by local, state or federal law or regulations. Your decision to accept employment or to continue employment with the company constitutes your agreement to be bound by the FTP. Likewise, the company agrees to be bound by the FTP. This mutual agreement to arbitrate claims means that both you and the company are bound to use the FTP as the only means of resolving employment-related disputes and to forego any right either may have to a jury trial on issues covered by the FTP. However, no remedies that

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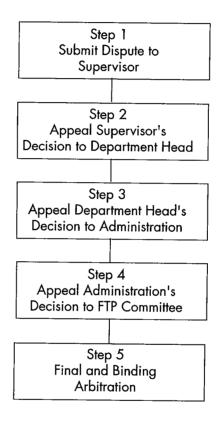
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otherwise would be available to you or the company in a court of law will be forfeited by virtue of the agreement to use and be bound by the FTP.

THE STEPS

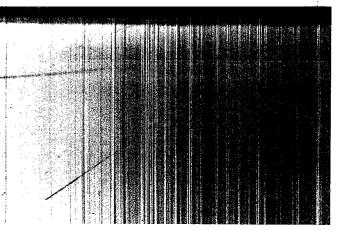
You are encouraged to first use the company's informal Open Door Policy to discuss any problems, concerns or disputes you may have with your supervisor. If this informal method does not resolve the issue, then you are encouraged to initiate the more formal Fair Treatment Process described below to resolve the issue. The FTP consists of the following five steps that employees generally must follow to obtain a resolution of a problem, concern or dispute:

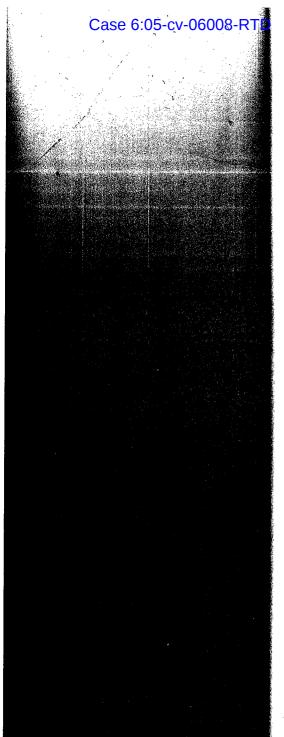


During Steps 1 through 4 of the FTP, neither you nor the company may be represented by legal counsel, although both you and the company have the right to consult privately with your own counsel at any time at your own expense.

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Step 1: Supervisor

If an informal discussion with your Supervisor did not resolve your problem, concern or dispute, you should promptly contact the Human Resources department to obtain a FTP Dispute Resolution Form. You should complete the form and submit it to your supervisor to initiate the FTP. The supervisor will investigate the problem and will attempt to resolve it. The supervisor will respond to you in writing on the form as soon as possible, usually within seven calendar days from the date you raised the issue. However, in situations where your problem relates to the supervisor, or you do not feel comfortable talking to the supervisor about the problem for any reason, you may consult with a representative of the Human Resources department for guidance and go directly to Step 2 in the process.

Step 2: Department Head

If you are not satisfied with the supervisor's response to the problem or dispute in Step 1, then you may take the problem or dispute to your Department Head. If you wish to pursue this second step in the FTP, you should complete the Section marked "Step 2" on the FTP Dispute Resolution Form and submit the completed form to the Human Resources Department and request that the form be submitted to your Department Head. The Human Resources Department then will submit the FTP Dispute Resolution Form to your Department Head for consideration and response. Your Department Head will discuss the problem with both you and your supervisor and will attempt to resolve it. A written response from your Department Head will be provided to you as soon as possible, usually within seven calendar days of the date the Department Head receives your completed FTP Dispute Resolution Form.

Step 3: Administration

If the response from your Department Head in Step 2 does not resolve your problem or dispute, you may take the problem or dispute to a member of the Facility's Administration office for consideration. If you wish to pursue this third step in the FTP, you should complete the section marked "Step 3" on the FTP Dispute Resolution Form and submit the completed form to the Human Resources Department and request that your FTP Dispute Resolution Form be submitted to Facility Administration for review. The Human Resources Department will submit the FTP Dispute Resolution Form to the appropriate member of Facility Administration for consideration and response. A written response from Administration will be provided to you as soon as possible, usually within seven calendar days of the date you request review under Step 3.

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Step 4: FTP Committee

If the response of Facility Administration in Step 3 does not resolve your problem or dispute, you may request that the problem or dispute be submitted to the FTP Committee. The FTP Committee will be convened and administered by the Human Resources Department, and usually is the final step in the internal dispute resolution process that is utilized only when the problem could not be resolved during Steps 1, 2 or 3. When the matter is submitted to the FTP Committee, the FTP Committee will meet as soon as possible, usually within 30 days of your request. The FTPCommittee will promptly, objectively and confidentially decide the issue(s) presented to it for consideration. The FTP Committee is discussed in more detail in the "FTP Committee Process" section, below. The grievances of facility management employees at the Department Head level or above and Corporate management employees are not subject to the FTP Committee process in Step 4. Those grievances are processed according to the steps set forth in the "Exclusions and Restrictions" section, below.

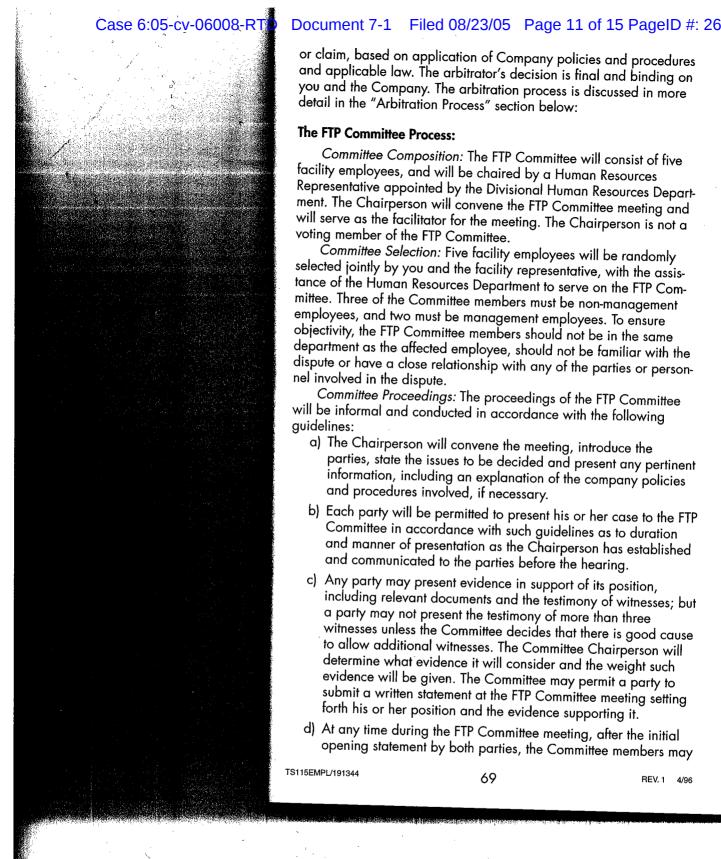
Once the problem or dispute has been submitted to the FTP Committee, the Committee will review the facts and make a decision based on the application of Company policy and procedure, and may award back pay, where appropriate. The FTP Committee can 1) deny the remedy the employee has requested, 2) grant the remedy the employee has requested, 3) determine an alternative remedy or resolution consistent with company policies and procedures. It also has the authority to decide whether or not a Company policy or procedure has been followed. However, the FTP Committee does not have the authority to discipline employees, modify benefit plans, establish or change Company policies or procedures, or award monetary (compensatory or punitive) damages, nor does the decision of the FTP Committee have the effect of setting precedent. The decision of the FTP Committee is subject to the review by the Chief Executive Officer of the facility.

Step 5: Final and Binding Arbitration

If you do not accept the decision reached in Step 4, then you have the right to submit the problem or dispute to final and binding arbitration. The arbitration process is limited to disputes, claims or controversies that a court of law would be authorized or have jurisdiction over to grant relief and that in any way arise out of, relate to or are associated with your employment with the Company or the termination of your employment. In such cases, an impartial and independent arbitrator – chosen by agreement of both you and the Company – will be retained to make a final decision on your dispute

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ask questions or request information from the parties or from the witnesses.

- e) Immediately following the FTP Committee meeting, the Committee members will convene in private to discuss the case and vote by secret ballot or by open vote on the issues presented. The Committee decision shall be determined by a majority vote (3 of 5). The Committee's responsibility shall be to carefully evaluate the facts presented and reach a decision based on those facts.
- f) If the FTP Committee decides that it needs additional information during its deliberation in order to reach a decision, it may hear additional testimony and/or consider additional documents.
- g) Once a decision has been reached by the FTP Committee, the FTP Committee meeting will be reconvened and, with the parties present, the Chairperson will announce the decision. Alternatively, the decision of the Committee may be communicated to the affected employee by telephone or mail without reconvening the Committee. The Human Resources Department will ensure that all actions required to implement the decision of the FTP Committee are carried out promptly.

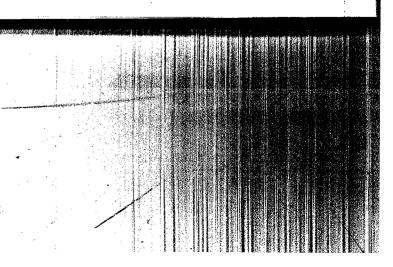
Committee Members: The FTP Committee process is an opportunity to participate in a process intended to ensure that employee issues are resolved in a prompt, fair and equitable manner. Employees who serve as FTP Committee members are required to accept the important responsibilities of Committee membership. The issues presented may have serious and long lasting consequences for all persons involved. All employees selected to serve on a FTP Committee must acknowledge their solemn responsibility to (1) render an objective and unbiased decision that is based only on the facts presented and the application of company policies and procedures, (2) maintain strict confidentiality and not disclose any of the information learned during the process, and (3) participate fully in the FTP Committee process.

The Arbitration Process:

If you want to appeal the decision reached in Step 4 of the process, you must obtain and complete a "Request for Arbitration Form" from the Human Resources Department in order to initiate the arbitration process. That form also will serve to confirm your and the company's prior mutual agreement to submit the dispute to final and binding arbitration. The arbitration will be heard by an independent and impartial arbitrator chosen by you and the company. By deciding to arbitrate the dispute, you also agree that the remedy, if any,

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Restricted Issues:

Sexual Harassment Complaints: Due to the sensitive nature of claims of sexual harassment, you are not required to use Step 1 of the FTP to raise sexual harassment claims if you do not wish to do so. Instead, you should follow the steps in the company's policy prohibiting sexual harassment. If you are not satisfied with the company's response to a claim for sexual harassment, then you must use the FTP to resolve the claim or dispute.

Grievances of Management Employees: Facility management employees at the Department Head level or above will use the following FTP steps to submit their grievances for review: Step 1: Immediate Supervisor; Step 2: Chief Executive Officer of the facility; Step 3: Regional Vice President; Step 4: Request for Arbitration. Facility Chief Executive Officers and management employees in the divisional or corporate offices will use the following FTP steps to submit their grievances for review unless the parties agree otherwise; Step 1: Immediate Supervisor; Step 2: The next level in the chain of command; Step 3: The next level in the chain of command; Step 4: Request for Arbitration.

Other Important Information:

Applicable Law and Procedural Rules: The Federal Arbitration Act, 9 U.S.C. § 1, et seq., will govern arbitrations under the FTP. The applicable Employment Dispute Resolution Rules of the AAA will govern the procedures to be used in such arbitrations, unless you and the company agree otherwise.

Discovery and Amendment of Claims: If a dispute is submitted to arbitration, either you or the company may make a reasonable request for copies of relevant documents from each other, and both parties shall provide each other with a list of the witnesses they intend to call to testify at the arbitration at least ten days before the arbitration. No dispositions or other discovery shall be taken unless ordered by the arbitrator. Disputes submitted for resolution under the FTP may be amended as provided by the AAA rules.

Limitations Periods: Any request for arbitration under the FTP must be made within one year after the event giving rise to the dispute. If the claim was submitted to a federal, state or local agency, then a request for arbitration of that claim must be made within 90 days of the receipt of the agency's decision. However, if a longer limitations period is provided by a statute governing your claim, then your claim will be subject to the longer limitations period provided by the statute.

Authority of Arbitrator: The arbitrator has the authority to award any remedy that would have been available to you had you litigated the dispute in court under applicable law.

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